

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

MORGAN STANLEY & CO.
INCORPORATED,

Plaintiff,

-against-

CONRAD P. SEGHERS,

Defendant.

Civ. Action No.: 10 CV 5378 (DLC)(JCF)

**DECLARATION OF WOOK KIM IN
SUPPORT OF PLAINTIFF'S MOTION
FOR PRELIMINARY INJUNCTION**

WOOK KIM, declares, pursuant to 28 U.S.C. § 1746, that:

1. I am an associate at the law firm of Kelley Drye & Warren LLP, attorneys for plaintiff Morgan Stanley & Co. Incorporated ("Morgan Stanley"), as successor in interest to Morgan Stanley DW, Inc. I am fully familiar with the facts set forth herein.

2. I submit this declaration in support of Morgan Stanley's motion for a preliminary injunction enjoining defendant Conrad P. Seghers ("Seghers") from pursuing an arbitration that Seghers commenced before the Financial Industry Regulatory Authority ("FINRA") in Texas (the "Texas Arbitration") on April 29, 2010. More specifically, I submit this declaration to place before the Court various pleadings, orders and other objective documentary evidence for the Court's consideration on Morgan Stanley's motion.

3. There has been no previous application for the relief requested in the accompanying motion in this or any other Court.

4. Annexed hereto as Exhibit 1 is a true and correct copy of the statement of claim filed by Seghers in the Texas Arbitration, dated April 28, 2010.

5. Annexed hereto as Exhibit 2 is a true and correct copy of the second amended complaint filed by Seghers in an action entitled *Conrad P. Seghers v. Morgan Stanley, DW, Inc., d/b/a Morgan Stanley Dean Witter Discover*, Case No. 06 Civ. 04639 (GEL), in the United States District Court for the Southern District of New York (the “Southern District Action”), dated November 15, 2006.

6. Annexed hereto as Exhibit 3 is a true and correct copy of a letter from Steven A. Berger, Esq. of Berger Stern & Webb, LLP to Morgan Stanley, dated August 1, 2001.

7. Annexed hereto as Exhibit 4 is a true and correct copy of the statement of claim filed in an arbitration entitled *Galileo Fund, L.P., Daniel L. Jackson as Receiver of Integral Hedging, L.P. and Integral Arbitrage, L.P., Bizri Capital Partners, Inc., and Samer El Bizri v. Morgan Stanley, DW, Inc., d/b/a Morgan Stanley Dean Witter Discover*, Case No. 05-00399, before the National Association of Securities Dealers (“NASD”) (the “Integral Arbitration Action”).

8. Annexed hereto as Exhibit 5 is a true and correct partially redacted copy of the April 2006 General Release and Settlement Agreement in the Integral Arbitration Action.

9. Annexed hereto as Exhibit 6 is a true and correct copy of the complaint filed by the Securities and Exchange Commission on June 16, 2004 in an action entitled *Securities and Exchange Commission v. Conrad P. Seghers and James R. Dickey*, Case No. 04 CV 1320, in the United States District Court for the Northern District of Texas, Dallas Division (the “SEC Action”).

10. Annexed hereto as Exhibit 7 is a true and correct copy of the court's charge to the jury, which includes the completed verdict form, filed on March 1, 2006 in the SEC Action.

11. Annexed hereto as Exhibit 8 is a true and correct copy of United States District Court Judge Gerard E. Lynch's Opinion and Order dismissing Seghers' second amended complaint filed in the Southern District Action, dated May 10, 2007.

12. Annexed hereto as Exhibit 9 is a true and correct copy of the Seghers' original complaint filed in the Southern District Action, filed on June 16, 2006.

13. Annexed hereto as Exhibit 10 is a true and correct copy of the judgment dismissing Seghers' second amended complaint in the Southern District Action filed on May 11, 2007.

14. Annexed hereto as Exhibit 11 is a true and correct copy of the statement of claim filed by Integral Hedging Offshore, Ltd. in an arbitration entitled *Integral Hedging Offshore, Ltd. v. Morgan Stanley DW, Inc. d/b/a/ Morgan Stanley Dean Witter Discover*, Case No. 07-01868, before the NASD ("IHO Arbitration"), dated June 6, 2007.

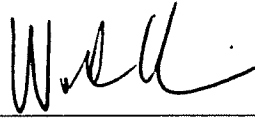
15. Annexed hereto as Exhibit 12 is a true and correct copy of the memorandum of law in support of Morgan Stanley DW, Inc.'s petition for stay of arbitration in an action entitled *Morgan Stanley DW Inc. v. Integral Hedging Offshore, Ltd.*, Index No. 602605/07, dated August 1, 2007, before the Supreme Court of the State of New York, County of New York (the "NYS Petition").

16. Annexed hereto as Exhibit 13 is a true and correct copy of New York State Supreme Court Justice Karla Moskowitz's Order granting Morgan Stanley DW, Inc.'s petition to stay and dismiss the IHO Arbitration, dated October 9, 2007.

17. Annexed hereto as Exhibit 14 is a true and correct copy of a judgment entered on October 19, 2007 by the Clerk of the Supreme Court of New York, New York County permanently staying and dismissing the IHO Arbitration.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on July 28, 2010.

A handwritten signature in black ink, appearing to read 'Wook Kim', is written above a horizontal line.

WOOK KIM